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SAN FRANCISCO DISTRICT

US Army Corps  
Of Engineers

# PUBLIC NOTICE

Regulatory Branch  
333 Market Street  
San Francisco, CA 94105-2197

NUMBER: 26580N      DATE: April 19, 2002  
RESPONSE REQUIRED BY: May 4, 2002

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PERMIT MANAGER Elizabeth Dyer

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**1. INTRODUCTION:** OXY Resources California, LLC, 28590 Highway 119, P.O. Box 1001, Tupman, California, 93276-1001, [Contact: Armando Gonzalez, 661-763-6632], has applied for a Department of the Army permit to place 2,300 cubic yards of fill into a total of 0.34 acres of jurisdictional waters of the United States for the purpose of preparing a drilling pad for an exploratory natural gas well and, if gas is found, to establish a permanent production facility. This application is being processed pursuant to the provisions of Section 404 of the Clean Water Act (33 U.S.C. 1344) and Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).

The fill associated with the project would temporally impact 0.21 acres of coastal, non-tidal, brackish marsh and permanently impact 0.13 acres of coastal, non-tidal brackish marsh, if the permanent production pad is constructed.

**2. PROJECT DESCRIPTION:** As shown in the attached drawings (figure 1 to 4 of 4), the construction for the exploratory well would involve using a 13,920 square-foot portion of an existing California Department of Fish and Game parking lot and temporarily (up to one month) placing up to 1,500 cubic-yards of fill material (occupying approximately 9,280 square-feet) on 0.21 acres of adjacent coastal, non-tidal, brackish marsh to establish a 23,200 square-foot, natural gas exploratory drill pad. After completing the drill pad, natural gas drilling equipment would be installed to determine whether a natural gas resource exists in commercially viable quantities.

Vertical drilling at this site will occur between 5,000 and 10,000 feet depth. The lateral extent of drilling will

be 2,000 feet from the point of ground penetration. Lateral drilling on the project site will occur within the entire 360-degree horizon around the site extending under several tidal slough channels and other waters currently below the plane of mean high water.

A closed mud system will be used to collect the drilling mud and cuttings and then place the material in a holding tank. The material will be removed from the site.

If test results indicate that a commercially viable, natural gas resource exists, approximately 800 cubic-yards of fill that was used to establish the drill pad would be relocated approximately 35 feet southwest of the drill pad and placed on 0.13 acres of coastal, non-tidal, brackish marsh to establish a 5,300 square-foot, permanent, natural gas production pad.

Natural gas production equipment consisting of a well head, heater/separator, meter, water tank, and dehydration unit would be permanently established at the site and a 32 foot-long, 4 inch-in-diameter pipeline would be installed 4 feet below grade that would connect with an existing natural gas pipeline under Grizzly Island Road.

Upon completion of drilling activities, the remaining unused fill (approximately 700 cubic-yards of material) would be removed from the site and the 9,280 square-feet of marsh habitat affected during drilling activities would be restored to its previous condition.

**3. SITE DESCRIPTION:** The proposed project site is located in the primary management area of the Suisun Marsh, approximately 6 miles south of Suisun City, in

the Grizzly Island Wildlife Area, on Department of Fish and Game parking lot #4 on Grizzly Island, in an unincorporated area of Solano County. The site is accessed by Grizzly Island Road (a County-owned road). The drill pad would occupy a portion of an 18,921 square-foot, graveled parking lot owned and maintained by Department of Fish and Game, and 0.31 acres of an adjacent non-tidal, coastal, brackish marsh.

The site is bounded on the south by Grizzly Island Road and marsh, and to the north, east, and west by large expanses of marsh that is bisected by levees. The site is subject to infrequent tidal inundation from Honker and Suisun Bays. The water table is 24 to 48 inches below the surface soil.

Characteristic coastal brackish marsh plants found at the site include several species of sedges (*Carex* spp.), spearscale (*Atriplex triangularis*), coyote brush (*Baccharis pilularis*), ripgut (*Bromus diandrus*), brassbuttons (*Cotula coronopifolia*), bull rush (*Juncus balticus*), bristly ox-tongue (*Picris echioides*), saltgrass (*Distichlis spicata*), pickleweed (*Salicornia virginica*), and broadleaf cattail (*Typha latifolia*). Characteristic plant species of coastal salt marsh found at the site include cord grass (*Spartina* spp.), dodder (*Cuscuta salina*), saltgrass, alkali heath, (*Frankenia salia*) gumplant (*Grindelia* spp.), fleshy jaumea (*Jaumea carnosa*), plantain, (*Plantago maritima*), pickleweed, and seaside arrowgrass (*Triglochin maritima*).

Currently, primarily hunters and anglers use the parking lot. During drilling operations, the majority of the parking lot would be occupied by drilling equipment and personnel associated with the drilling operation. It is anticipated that the use of the lot for the one-month drilling operation would affect use of the parking lot by the public. However, drilling operations would occur prior to the commencement of the hunting season. The duck-hunting season generally extends from October through December and the tule elk-hunting season begins August 1<sup>st</sup>. It is anticipated that public use of the parking lot during construction of the project would be minimal. In addition, a 9,280 square-foot portion of the parking lot would still be available to member of the public during drilling and pad construction operations.

**4. ON-SITE MITIGATION:** The loss of jurisdictional wetland habitat would total 0.34 acres. The applicant proposes to mitigate for the loss of this habitat by one or more of the following methods: 1) construction of new salt marsh on the project site, 2) purchase of salt marsh through a mitigation bank, 3) creation of salt marsh elsewhere on the immediate vicinity of the Suisun Marsh.

**5. PURPOSE AND NEED:** The purpose of the OXY project is to locate an economically feasible source of natural gas. California is the 10<sup>th</sup> largest consumer of energy in the world. Petroleum supplies 45% of California's energy, which is mainly for transportation. Natural gas and electricity provide the remaining 33% and 13% respectively. The California Energy Commission estimates that consumption of energy in California will grow 2% annually over the next ten years. Natural gas provides a clean source of fuel for power production with fewer adverse effects than other sources, such as coal. Fuel produced by this proposed project would provide a new source of natural gas for the California energy market, thus helping to moderate natural gas prices.

**6. STATE APPROVALS:** Under Section 401 of the Clean Water Act (33 U.S.C. Section 1341), an applicant for a Corps permit must obtain a State water quality certification before a Corps permit may be issued. The applicant shall provide the Corps with evidence that a valid request for State water quality certification has been submitted to the San Francisco Bay Area Regional Water Quality Control Board (RWQCB). No Corps permit will be granted until the applicant obtains the required certification.

Those parties concerned with any water quality issues associated with this project should write to the Executive Officer, California Regional Water Quality Control Board, San Francisco Bay Area Region, at 2101 Webster Street, Suite 500, Oakland, California, 94612, by the close of the comment period of this public notice.

The San Francisco Bay Conservation and Development Commission will hold a public hearing on April 4, 2002 to decide to approve the project. The Commission must determine whether the proposed amount of fill for the

project is the minimum amount needed to construct the project and whether impacts to the wetland resources of the Marsh would be minimized and adequately mitigated. The Commission must also find that there is no alternative upland location for the project. Due to unique geologic formation and processes, Suisun Marsh is one of the few locations in the Bay Area where naturally forming gas is found. The applicant has explored alternative locations for the exploratory pad, however, the Department of Fish and Game determined that the project site was the least biologically sensitive even though some fill in adjacent wetlands would be necessary.

## **7 COMPLIANCE WITH VARIOUS FEDERAL LAWS:**

### **National Environmental Policy Act of 1969 (NEPA):**

At the conclusion of the 15-day public comment period, the USACE will assess the environmental impacts of the project in accordance with the requirement of the National Environmental Policy Act of 1969 (Public Law 91-190), the Council on Environmental Quality's Regulation at 40 CFR 1500-1508, and the USACE Regulations at 33 CFR 230 and 325. The final NEPA analysis will normally address the direct, indirect, and cumulative impacts that result from regulated activities within the jurisdiction of the USACE and other non-regulated activities the USACE determines to be within its purview of Federal control and responsibility to justify an expanded scope of analysis for NEPA purposes. The final NEPA analysis will be incorporated in the decision documentation that provides the rationale for issuing or denying a Department of Army permit for the project.

**Endangered Species Act of 1973 (ESA):** A biological assessment prepared by the applicant indicated that Federally listed plant species Suisun Marsh aster (*Aster lentus*) and soft bird's beak (*Cordylanthus mollis* ssp. *hispidus*) were not observed in the project area during surveys on June 8, 2001, and July 27, 2001.

Reconnaissance level biological surveys conducted on February 13, 2001 did not observe any Federally listed animal species, including Salt-marsh harvest mouse (*Reithrodontomys raviventris*), California black rail (*Laterallus jamaicensis coturniculus*), Suisun song

sparrow (*Melospiza melodia maxillaries*), California clapper rail (*Rallus longirostris obsoletus*), and Suisun shrew (*Sorex ornatus sinuosus*).

**National Historic Preservation Act of 1966:** A literature survey by the California Historical Resources Information System indicates that no historic or cultural resources are known to occur on the project site. Standard construction-related measures to preserve historic or cultural resources would be followed if buried artifacts or other archaeological resources any are exposed during construction. All contractors and subcontractors will be informed in writing of the potential for unearthing culturally significant resources. If artifacts are found during construction, work in that area will cease until an archeologist can investigate the artifacts and assess their archeological value.

## **8. COMPLIANCE WITH THE 404(b) GUIDELINES:**

Projects resulting in dredged or fill material discharges into waters of the United States must comply with the Guidelines promulgated by the Administrator of the Environmental Protection Agency under Section 404(b) of the Clean Water Act (33 U.S.C. 1344(b)). An evaluation pursuant to the Guidelines indicates the project is not dependent on location in or proximity to waters of the United States to achieve the basic project purpose. This conclusion raised the (rebuttable) presumption of the availability of a less environmentally damaging practicable alternative to the project that does not require the discharge of dredged or fill material into special aquatic sites. The applicant has submitted an analysis for project alternatives to be reviewed for compliance to the Guidelines.

**9. PUBLIC INTEREST EVALUATION:** The decision on whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the project and its intended use on the public interest. Evaluation of the probable impacts required a careful weighing of the public interest factors relevant in each particular case. The benefits that may accrue from the project must be balanced against any reasonably foreseeable detriments of project implementation. The decision on permit issuance will, therefore, reflect the national concern for both protection and utilization of important resources. Public interest factors which may be

relevant to the decision process include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, consideration of property ownership, and in general, the needs and welfare of the people.

permit action, will be provided on request.

**10. CONSIDERATION OF COMMENTS:** The Corps is soliciting comments from the public; Federal, State and local agencies and officials; Indian Tribes; and other interested parties to consider and evaluate the impacts of this proposed project. Any comments received by the Corps will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and other public interest factors listed above. Comments are used in the preparation of an environmental assessment and/or Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

**11. SUBMITTING COMMENTS:** Interested parties may submit in writing any comments concerning this activity. Comments should include the applicant's name, the number, and the date of this notice and should be addressed to the Regulatory Branch, Attn: Ms. Elizabeth Dyer. It is Corps policy to forward any such comments, which may include objections to the applicant for resolution or rebuttal. Any person may also request, in writing, within the comment period of this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, the reasons for holding a public hearing. Additional details may be obtained by contacting the applicant whose address is indicated in the first paragraph of this notice, or by contacting Elizabeth of our office at telephone number (415) 977-8451, or by email at Elizabeth.Dyer@spd02.usace.army.mil. Details on any changes of a minor nature, which are made in the final

